

It **IS** a Cycle Low!



July 8, 2013

As an addendum to the July report that went out last evening, the comments hereunder are for clarification, while concluding with an excellent compilation of technical indicators which leaves the UK author citing an unfolding MAJOR LOW now in silver.

In fact, I was/am inspired to send this addendum due to the piece linked at the bottom. SKGS reports focus on only a few indicators at a time, so that the letters not be construed as principally being technical analyses.

However, apart from the few very important indicators that I share in my more comprehensive reports, I have alluded to **time cycles**, without offering anything more about them than their actual timing (bottom line conclusion).

This is THE major differentiation between my technical analysis and that of others. It has allowed me to be precise, by forecasting the just-completed low well in advance.

The single-most important section of the July report is its conclusion, in which one finds the enumerated and yellow-highlighted factors comprising an ideal package of positions that would make up the ideal portfolio investment in silver.

So, as a clarifying addendum (embellishment?) regarding those desired positions:

1. Spreads bottom BEFORE their underlying (SLV, in this case) (spreads often serve as lead indicators for timing a low in the underlying investment);
2. volatility premiums decline as the SLV bounces, before moving higher and then erupting (due to the law of diminishing returns, as the downside limit is zero, while the upside is mathematically limitless, within an explosive PM scenario);
3. still, a trader must be aware that premiums have rallied with declines in the PMs;
4. with respect to any option, the relationship (difference) between historic and implied volatility (price) fluctuates daily, and the graph of the respective options' differentials serves to help time the underlying, as well as the individual options, and, to a great extent, the call spreads themselves;
5. all together causing a combination of factors that requires accumulation of the positions referenced yesterday, as the relationship and interplay of prices between the contemplated positions (yesterday) is highly dynamic.

I hope you enjoy the following brief, yet thorough compilation of indicators, many of which you have seen in SKGS in one preferred form or another (i.e. - stochastic versus RSI).

<http://www.marketoracle.co.uk/Article41232.html>

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